



Municipal Service Review Report for Orange / Villa Park / Orange SOI (MSR 03-29) March 9, 2005

Appendix 5: TECHNICAL BRAINSTORMING COMMITTEES' ISSUES PRESENTATIONS



Unincorporated Areas Governance and Fiscal Issues:

Future Challenges & Strategies, Opportunities & Approaches for Change



Committee Members:

- Rob Richardson, County of Orange
- John Secor, North Tustin
- Tom Davidson, Orange Park Acres
- Candy Haggard, County of Orange



The Problem

- The County is and will continue to experience unprecedented growth
- Growth increases the demand for and impact to public service delivery and governance
- The current service delivery structure County as municipal service provider to "islands" is costly and
- As the population grows, the need for regional services increases, the ability for the County to maintain the existing level of both regional and municipal-level services will likely be compromised



Challenges:

- Maintain Quality of Life for residents
- Sustain efficient service delivery to residents in cost effective way
- Reduce/eliminate County role in municipal service provision
- Eliminate overlapping/duplicative service delivery
- Resident /policy makers support of alternative service delivery/governance



Key Issues:

- North Tustin:

 "Stabilization" –
 Community identity and quality of life

 - Rural environment and sense of place
 Land use and *densities* (land value)
 - Curbs, gutters, street lights
- No annexation? Septic-Sewer
- Property values
- Property taxes/assessments/fees Traffic

- OPA:
 Septic-Sewer
- Land use Overlay of County General Plan
 Water OPA Mutual Water Company

- Curbs and guttersStreet lights
- Future impacts from East Orange Traffic
- Local accountability/local
- Property taxes/assessments/fees
- Property values



Key Issues cont .:

- County of Orange:

 Annexation of small islands
- Engage in discussions and outreach with large islands if initiated by residents
- Finances municipal vs. regional service costs
- Urban runoff/water quality

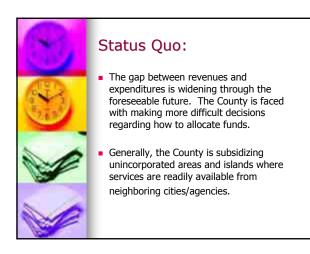
- LAFCO:

 Policy focus efficient/effective service delivery

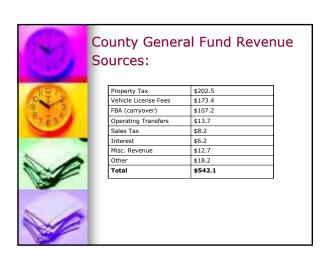
 Annexation of small and large islands

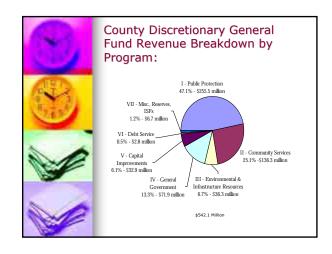
 Engage discussions/ outreach w/large island residents

 Puild cellaborations
- residents
 Build collaborations facilitate improved
 service delivery &
 governance
 Establish strategic plan
 for annexation or
 alternate service options
 w/workplan & timeline

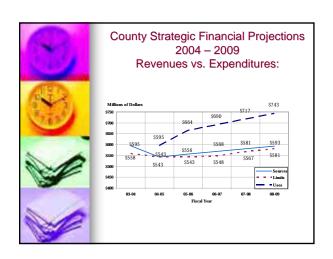














Assumptions cont.:

- Maintenance or Improvement of Services will require Changes in Service Provision and Funding
 - · Economies of scale, e.g., through expanded services or increased cooperation among existing providers, could help achieve fiscal savings
 - Creation of funding districts could provide stable funding sources and facilitate contractual arrangements



Strategies, Approaches, Opportunities-Governance & Service Delivery Options:

- North Tustin
 - Remain unincorporated
 - Spheres of influence for Tustin & Orange retracted "0" SOI for NT
 - CSA or CSD created to fund services
 - Annex to Tustin
 - Annex to Tustin & Orange
- OPA
 - Remain unincorporated
 - Form CSA or CSD to help fund sewer infrastructure & other services
 - Access other funding sources for sewer construction & connection
 - Annex to Orange



Strategies, Opportunities, Approaches-Governance & Service Delivery options:

- Explore regionalized service delivery approach for municipal service provision
 - Reduces/eliminates duplication of service delivery efforts
 - May achieve economies of scale through collaborative efforts
 - Encourage dialogue among service providers to identify potential service delivery efficiencies &/or cost-saving



Strategies, Opportunities, Approaches

- Establish a process for opening up conversation regarding *voluntary* annexation
 - Outreach/Education workplan
 - · Focus on resident concerns
 - Demystify Annexation
 - Identify resident issues & concerns Task Force

 - Resident working committees
 - Staff liaisons
 - City
 - County
 - LAFCO
 - Advisory to policy makers



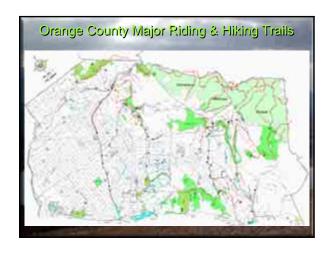
Strategies, Opportunities, Approaches

- Revisit "Unincorporated County Islands Revitalization Strategic Plan"
 - Identify funding sources for island infrastructure upgrades
 - Identify opportunities to create alternative service delivery funding mechanisms & governance options for potential long-term unincorporated areas
 - Encourage dialogue regarding annexation resident initiated
 - Prioritize annexation of all remaining "small" & uninhabited "large" island areas to the City of





Objectives / Opportunities Define scope of open space planning efforts Orange County Master Plan of Trails City of Orange Master Plan of Trails Orange Park Acres Vision & Master Plan of Trails Silverado Modjeska Recreation & Parks District (SMRPD) Master Plan of Trails











Explore Potential of Special Districts Open-space District Community Services District Utilize existing Districts Propose new District



- a) That the preservation of open-space land, as defined in this article, is necessary not only for the maintenance of the economy of the state, but also for the assurance of the continued availability of land for the production of food and fiber, for the enjoyment of scenic beauty, for recreation and for the use of natural resources.

 b) That discouraging premature and unnecessary conversion of open space land to urban uses is a matter of public interest and will be of benefit to urban dwellers because it will discourage noncontiguous development patterns which unnecessarily increase the costs of community services to community residents.

 c) That the anticipated increase in the population of the state demands that cities, counties, and the state at the earliest possible date make definite plans for the preservation of valuable open-space land and take positive action to carry out such plans by the adoption and strict administration of laws, ordinances, rules and regulations as authorized by this chapter or by other appropriate methods.

 d) That in order to assure that the interests of all its people are met in the orderly growth and development of the state and the preservation and conservation of its resources, it is necessary to provide for the development by the state, regional agencies, counties and cities, including charter cities, of statewide coordinated plans for the conservation and preservation of open-space lands.

 e) That for these reasons this article is necessary for the promotion of the general welfare and for the protection of the public interest in open-space land.
- Create Partnerships

 County of Orange
 City of Orange
 SMRPD
 Orange Park Acres
 The Irvine Company
 The Nature Conservancy
 Irvine Ranch Water District
 Serrano Water District
 U.S. Forest Service Cleveland National Forest
 Trabuco District
 Nature Reserve of Orange County
 Trust for Public Lands
 The Irvine Ranch Land Reserve Trust











Septic to Sewer Conversion Issues:

Future Challenges &

Strategies, Opportunities & Approaches for Change





The Problem:

- ☐ Increased population and densities are putting pressure on septic systems as a viable method of wastewater disposal for the future
- The facts:
 - The age of many operational systems are between 20-30 years

 - The density of the urbanized portion of Orange County does not allow for optimum function The extensive landscaping (root intrusion and over watering), and the poor soil conditions all point to potential or realized problems with septic use Septics contaminate groundwater and contribute to urban runoff
 - urban runoff



Key Questions:

- Given the current status of existing septic systems, how will the anticipated growth and stresses of time impact aging sanitary septic systems?
- □ What are the options for mitigating the financial impacts of conversion to property owners?
- ☐ What are the options for conversion to public sewer, what are the funding opportunities available to public agencies and/or property owners?
- ☐ Under what conditions/circumstances are septic systems useful/necessary?



Status Quo:

The County's population is currently approximately 3 million; that number is expected to grow to over 3.5 million by 2025.

Year	Population	Housing Units
2005	3,094,461	1,031,319
2010	3,291,628	1,066,476
2015	3,402,964	1,086,044
2020	3,485,179	1,100,848
2025	3,537,559	1,112,915

Source: OCP 2004



Status Quo cont.:

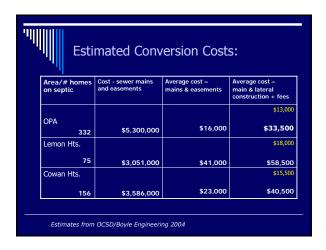
- Current population estimates for Orange Park Acres & North Tustin unincorporated areas:
 - 29,000+ people
 - 9,500+ homes
- □ Population is expected to grow to 30,700 by 2020 adding 54 homes to the area
- □ 563 operational septic systems in OPA & NT*

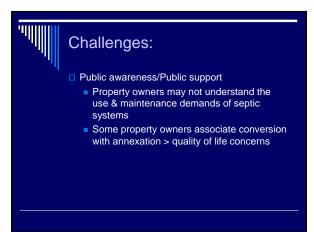
Pop stats: OCP 2004

* Septic stats: OCSD/Boyle Engineering 2004

NT #s include only Lemon Hts & Cowan Hts

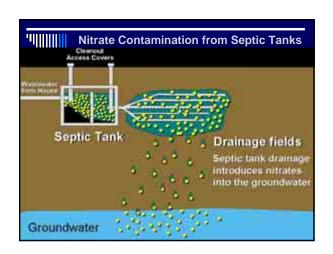




















STATUS REPORT OF THE MSR WATER / WASTEWATER / URBAN RUNOFF BRAINSTORMING GROUP

August 13, 2004

The Water / Wastewater / Urban Runoff Sub-Group has met on five occasions. After some initial uncertainty as to its scope, purpose, and deliverables, the group ultimately developed a focus for its efforts as described below.

KEY POLICY PRINCIPLES

- The evaluation of appropriate service providers should be confined to the East Orange development area. The application of this question to a broader area should be deferred to a future study.
- The evaluation process should be stakeholder driven and the primary stakeholders need to participate collaboratively in an objective evaluation to determine the best service provision(s) for the East Orange development area.
- Key evaluative criteria should be adopted to:
 - Provide objective evaluative criteria to direct the stakeholders' efforts, and;
 - Assist both the stakeholders and the MSR Working Group better understand and utilize the information that will be provided by the Technical Advisory Committee.

KEY STAKEHOLDERS

The principle stakeholder agencies involved in providing and coordinating water and wastewater related services in the East Orange development area are the City of Orange, Santiago County Water District, and Irvine Ranch Water District. Each agency should participate in the analysis and decision-making process for establishing service to the subject area. The stakeholder group shall also include related service entities, such as Orange County Sanitation District (regional wastewater service) and the County of Orange (urban runoff), on an as-needed basis.

PROPOSED EVALUATIVE CRITERIA

An objective analysis and decision-making process needs to be established and completed to identify the most appropriate service provider(s) in the East Orange development area for water, wastewater, non-potable water (irrigation), and urban runoff. The recommended service provider(s) should be determined based upon objective criteria including:

- Overall costs to the public
- System reliability
- Available array of customer services
- · Impacts to existing service providers
- Water quality and regulatory compliance
- Environmental impacts
- · Existing institutional experience and infrastructure
- Current institutional arrangements

The review of service options based upon the evaluative criteria should be applied to the East Orange development area and adjacent stakeholder agencies' service areas. Any potential changes to existing or proposed service boundaries need to consider and mitigate financial and other secondary impacts.

CHALLENGES AHEAD

- The primary stakeholders should meet to complete the evaluation that leads to identifying the most appropriate provider(s) of water, wastewater, and urban runoff services in the East Orange development area.
- The study being completed by the Technical Advisory Committee should be integrated into the efforts of the primary stakeholders group. A closer working relationship between those two groups should be established.
- The determination of the appropriate service provider(s) should be reached, and any necessary jurisdictional changes should be accomplished, in a time frame that will accommodate the proposed development schedule in the East Orange area.

REPORT OF THE MSR WATER / WASTEWATER / URBAN RUNOFF BRAINSTORMING GROUP September 10, 2004

Providing a 20 Year Water/Sewer/Urban Runoff "Vision Plan" Challenges and opportunities in the MSR Study area are not unique to the agencies or the water industry. Water/Sewer agencies address these challenges and opportunities through various efforts: Water Supply and Facility Master Plans Urban Water Management Plans

"Vision Plan" (Continued) •Inter-agency collaboration and cooperation (service agreements, shared programs, etc.) •Coordinated planning with wholesalers (MWDOC, OCWD) and regional suppliers (MWD) •Challenges and Opportunities in this presentation are addressed through the aforementioned mechanisms.

Water - Problem Statement, Challenges and Opportunities Problem Statement: Provide safe, reliable, cost-effective water service in an environmentally responsible manner Challenges Opportunities Acquire sources of supply to:
 Meet demands in single/ multiple Develop local groundwater supplies Pursue conservation strategies
 Pursue water transfers/banking options
 Develop/increase water reuse dry years
• Meet ultimate demands • Create redundancy 2. System operations: Develop/maintain planning and design Increase/maintain reliability
 Maintain/reduce costs standards Implement/maintain preventative Topography (design requirements higher costs) maintenance programs

,00	ntinued)			
Problem Statement : Provide safe, reliable, cost-effective water service in an environmentally responsible manner.				
Challenges	Opportunities			
Provide for infrastructure replacement: Plan and schedule replacement needs Establish funding mechanisms	Define purpose of funds Develop predictive failure models Establish/maintain dedicated sinking fund Increase public understanding of replacement needs and funding sources			
Provide high quality water to: Assure safe drinking supplies Meet current/changing	Monitor regulatory changes Explore joint laboratory use opportunities Explore joint treatment opportunities Increase/enhance public awareness			

	(Continued)			
Problem Statement : Provide safe, reliable, cost-effective water service in an environmentally responsible manner.				
Challenges	Opportunities			
Control major cost centers: Sources of supply Operations Energy	Balance cost vs. benefit Economies of scale Utilize time of use energy rates Maintain/modernize equipment			
Promote water agency cooperation: Maintain/add to current cooperative agreements Develop/implement new cooperative opportunitie	Pursue economy of scale opportunities Meet localized emergency situations Consider alternative service delivery opportunities			

Wastewater - Problem Statement, Challenges and Opportunities Problem Statement: Provide reliable, cost-effective wastewater collection, treatment and disposal/reuse in a safe, environmentally responsible manner. Opportunities Challenges Eliminate sewage discharges Design/maintenance/operation of sewer system Promote source control Increase public education/awareness 2. Provide for infrastructure · Establish/maintain dedicated sinking replacement: fund Plan and schedule replacement Develop predictive failure models Define purpose Increase public understanding of replacement needs and funding · Establish funding mechanisms

Wastewater - Problem Statement, Challenges and Opportunities (Continued) Problem Statement: Provide reliable, cost-effective wastewater collection, treatment and disposal/reuse in a safe, environmentally responsible manner. Challenges **Opportunities** 3. Realignment of local/regional Develop cost-effective transfer plan sewering responsibilities between regional and local agencies 4. Meet changing regulatory Monitor regulatory changes Promote joint laboratory use opportunity Promote joint treatment opportunity requirements Increase public awareness

Non-Potable Water - Problem Statement,
Challenges and Opportunities

Problem Statement: Identify ways to reduce potable water demand by substituting non-potable water for certain types of water usage.

Challenges Opportunities

1. Develop cost-effective non-potable delivery system

• Utilize available capacity in Irvine Lake

Urban Runoff - Problem Statement, Challenges and Opportunities Problem Statement: Mitigate impact of urban runoff to the environment and comply with regulatory requirements Challenges Opportunities 1. Develop, fund and implement multi-Adopt Best Management Practices agency (counties, cities and special (BMPs) districts) framework to manage Adopt cooperative agreements for funding and assigning responsibilities between cities, counties and special urban runoff districts 2. Protect water quality in Irvine Lake · Develop local treatment sites from urban runoff Increase/promote water conservation

Urban Runoff - Problem Statement,
Challenges and Opportunities
(Continued)

Problem Statement: Mitigate impact of urban runoff to the environment and comply with regulatory requirements.

Challenges
Opportunities

• Provide proactive water agency training and education for customers on irrigation system maintenance
• Apply new irrigation controller technology that can significantly (up to 71%) decrease urban runoff

Problem statement:

Options, alternatives, future strategies:

<u>Unincorporated Areas</u> Governance and Fiscal:

The County will continue to experience unprecedented growth. Growth increases the demand for and impact to public service delivery and governance.

The current service delivery structure of the County as municipal service provider to unincorporated areas is costly and inefficient.

As the population grows, the need for regional services increases. The ability for the County to maintain the existing level of both regional and municipal-level services will likely be compromised.

1. Identify unincorporated islands Governance & Service Delivery Options:

North Tustin unincorporated area:

- o Remain unincorporated:
 - Spheres of influence for Tustin & Orange retracted "0" SOI for NT
 - CSA or CSD created to fund services
- Annex to Tustin
- o Annex to Tustin & Orange
- Incorporate

▶ OPA unincorporated area:

- Remain unincorporated
 - Form CSA or CSD to help fund sewer infrastructure & other services
 - Access other funding sources for sewer construction & connection
- Annex to Orange
- Incorporate

2. Explore regionalized service delivery approach for municipal service provision:

- o Reduces/eliminates duplication of service delivery efforts
- o May achieve economies of scale through collaborative efforts
- Encourage dialogue among service providers to identify potential service delivery efficiencies &/or cost-saving options

3. Establish a process for opening up conversation regarding voluntary annexation:

- o Outreach/Education workplan
 - Identify and focus on resident issues and concerns
 - Demystify Annexation
- Form Task Force working committees
 - Resident-reps, staff liaisons from City and County, LAFCO
 - Advisory to policy makers

4. Revisit "Unincorporated County Islands Revitalization Strategic Plan"

- o Identify funding sources for island infrastructure upgrades
- o Identify opportunities to create alternative service delivery funding mechanisms & governance options for potential long-term unincorporated areas
- o Encourage dialogue regarding annexation resident initiated
- Prioritize annexation of all remaining "small" & uninhabited "large" island areas to the City of Orange
- Revisit master property tax agreements as a way to open up dialogue between cities and county regarding annexation
- Address funding for ongoing code enforcement issues in unincorporated areas

SWG Comments:

Funding and resident education are key to making changes

Problem statement:

Options, alternatives, future strategies:

Open Space & Recreation:

The goal is to maintain existing and wherever possible, set aside additional acreage for the open space preservation and recreational uses.

However, two primary challenges remain:

- Environmental aspects of securing and maximizing use of open space areas including:
 - Urban runoff
 - Fire management (area closures)
 - Public access management
- Financing identifying sources for funding to purchase and set aside land for open space and/or recreation uses

1. Complete trail system connections

- ^o Identify existing & proposed hiking, biking & riding trails
- Coordinate Master Plan of trails for Orange Park Acres, County of Orange,
 Silverado/Modjeska Recreation & Parks District, City of Orange

2. Participate in County-wide open space planning

- Coordinate open space planning efforts between County of Orange, Silverado/Modjeska
 Recreation & Parks District, City of Orange
- 3. Create partnerships to maximize the potential to secure open space for preservation & recreation uses
- 4. Explore potential governance & service delivery structures for focus area open space
 - Open Space District
 - Community Services District
 - Utilize existing districts
 - Propose a new district

Problem statement:

Septic-Sewer Conversion

Increased population and densities are putting pressure on septic systems as a viable method of wastewater disposal for the future.

Conversion to public sewer is costly as infrastructure does not exist in many areas.

Accessing public funding for infrastructure construction is time consuming & competitive.

Options, alternatives, future strategies:

- 1. Make Public Sewer Infrastructure Widely Available
- 2. Access Funding Sources for Infrastructure Costs
- 3. Pursue Financing Opportunities for Infrastructure Conversion Costs
 - ° Grants / Loans:
 - Multi-party economies of scale
 - Assessment Districts Bonds secured by lien on properties– paid off in installments. Cost shared by property owners w/in district
 - Other Financing Mechanisms- Cost shared by property owners
- 4. Education & Outreach -
 - ♦ Focus on increasing resident awareness
 - Septic system use & maintenance
 - ° Environmental/water quality requirements
 - ^o Build on existing education/awareness programs
 - Focus on Policy makers for regulatory, public health environmental, changes
 - ° Create new/support current stakeholder groups of involved parties
- 5. Strengthen or Create New Proactive Policies and Practices
 - Require regular testing
 - Septic Offset Program
 - Active Monitoring & Assessment Methodology